

EXAMINER'S AMENDMENT

1. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Nathan Elder on December 15, 2010 and January 6, 2011.

The application has been amended as follows:

1-49. (Canceled)

50. (Currently Amended) An internet-based auction and transaction system for executing autonomous ascending bid auction instances for a plurality of independent participants in response to the initiation of the instances by the plurality of independent participants and for establishing multiple participant accounts that can be debited and credited in accounting for the funds used and generated by participant transactions in the system, the system comprising:

(a) a computer system in communication with the Internet and ~~capable of executing~~ configured to execute a plurality of substantially simultaneous processes;

(b) one or more processes executing on the computer system to perform the following:

(i) maintain multiple participant accounts, each account accessible based on information received from a participant, the multiple participant accounts ~~balances capable of being~~ are debited and credited ~~to account~~ for the funds used and generated by participant transactions with the system;

(ii) automatically, in response to information received via a participant interface to the system, initiate an autonomous ascending bid auction selling process based at least in part on information electronically received from a participant acting as a seller participant in the system, the ascending bid auction selling process describing an item offered for sale via the system generated autonomous ascending bid auction process to potential buyer participants;

(iii) connecting a participant acting as a buyer in the system to at least one participant account maintained by the system and associated with the participant acting as the buyer in the system; and

(iv) clearing by book entry transaction the payment between the participant acting as the buyer in the system with the participant acting as the seller in the system by debiting the participant account of the participant acting as the buyer and crediting the participant account for the participant acting as the seller within the system, the transaction between the participant acting as the buyer in the system and the participant acting as the seller in the system being responsive at least in part to the participant acting as the buyer in the system

winning an item at the autonomous ascending bid auction process that was generated by the system in response to the participant acting as a seller via the participant interface to the system.

51. (Previously Presented) The internet-based auction and transaction system of claim 50, wherein the initiated selling process, generated in response to a participant input from a participant interface to the system where the participant is acting as a seller, comprises providing a predetermined category selection to the participant acting as the seller, the predetermined category selection providing a topical arrangement of selling instances to participants acting as buyers by maintaining a topical navigation scheme for participants acting as buyers to navigate a topically arranged interface to the system wherein the topical navigation scheme corresponds at least in part to the predetermined category selection provided to the participant acting as the seller with an interface providing a selection of a category for the selling instance.

52. (Previously Presented) The internet-based auction and transaction system of claim 50, wherein the initiated selling instance, generated in response to a participant input from a participant interface to the system where the participant is acting as a seller, includes item description information and the system provides a unique code to confirm item listing to the participant acting as a seller.

53. (Previously Presented) The internet-based auction and transactional system of claim 50, wherein:

the transactional system is under a first entity's control;

the information describing the item is offered for sale in an ascending bid auction mode and is received from a computer system independently operated by the participant acting as the seller, and

the auction process for the participant acting as the seller is initiated while the item remains outside the first entity's possession.

54. (Previously Presented) The internet-based auction and transaction system of claim 50, wherein the auction process for the participant acting as the seller is initiated while the item remains outside the first entity's control.

55. (Currently Amended) The ~~internet-based~~ internet-based auction and transaction system of claim 50, wherein the auction process for the participant acting as the seller is initiated while the item remains in the control of the participant acting as the seller.

56. (Currently Amended) An automated method, performed by a computer-based auction and transaction apparatus for conducting multiple simultaneous participant-to-participant autonomous ascending bid auctions via a connection to a data packet network and the world wide web in a fully automated, topically arranged system that can

be navigated by topical categories, and wherein sellers and buyers can consummate transactions between user accounts maintained by the system by book entry transaction, the computer-based auction and transaction apparatus being under the control of a first entity, the method comprising:

tracking ~~a participant's account~~ the accounts with the computer-based auction and transaction apparatus;

receiving via the data packet network from ~~the a~~ participant acting as ~~the a~~ seller a description of an item offered for auction, the received description including a category selected from a list of categories provided from the apparatus;

in response to receiving a description of an item for auction from the seller participant, generating a unique tracking identifier for the item;

displaying, in response to a search request from a participant acting as a buyer, the description of the item for auction in a presentation format via the world wide web, the display including advertisements that generate revenue for the auction system;

initiating an autonomous ascending bid auction process at the computer-based auction with the apparatus for an item posted by the seller participant, the auction being conducted while the item for auction remains outside of the first entity's possession;

receiving at least one bid for the item for auction from at least one bidder via a computer interface, an automated computer-implemented auction process processing the bid to determine whether to post the bid as the current high bid for the item for auction;

determining a final high bidder for the item via the computer-implemented auction process and notifying the high bidder that he or she is the winner of auction; and

clearing a payment by book entry transaction between a participant account that is tracked with the apparatus and associated with the winning bidder and an account that is tracked with the apparatus and associated with the seller participant for the item that was autonomously auctioned by the apparatus.

57. (Currently Amended) An apparatus for conducting autonomous Internet auctions and for transferring funds between users of the system by book entry between user accounts associated with the apparatus, the apparatus comprising:

a computer system operationally connected to the Internet;

a process executing on the computer system for maintaining a participant's account associated with at least one selling participant;

a storage device operationally connected to the computer system, the storage device storing a database of data records, ~~the each~~ each data record identifying ~~an at least~~ one item to be auctioned by the computer system via an autonomous auction process;

a data interface operationally connected to the computer system, the data interface providing electronic connectivity between the computer system and the Internet;

a worldwide web-to-database mapping module, the worldwide web-to-database mapping module providing a link between a hypertext mark up language page server and the storage device;

an electronic mail module operationally connected to the data interface and executing on the computer system, the electronic mail module providing an information link to the participant seller of the item for auction represented by a data record stored by the data storage device;

the computer system executing an auction program that is an autonomous ascending bid auction process that is started by a remote selling participant; and

a process executing on the computer system to verify a participant purchaser information and connect that participant to ~~an~~ a deposit or charge account maintained by the system, and then authorizing that participant to execute a process on the apparatus to clear a charge from the result of an auction process by debiting the participant account for the purchase of an item won by participation with the autonomous ascending bid auction program and depositing an amount representing the result of the auction process to the participant seller's account maintained by the apparatus by book entry transaction.

58. (Previously Presented) The apparatus of claim 57 further comprising:

a process executing on the apparatus to credit a system account a transaction fee based at least in part on the result of the autonomous ascending bid auction program.

59. (Previously Presented) The apparatus of claim 57 further comprising:

a process executing on the apparatus to extract a commission fee from the seller participant based at least in part on the result of the autonomous ascending bid auction program.

60. (Currently Amended) An apparatus for conducting fully automated simultaneous Interact auctions and for transferring funds between users of the system by book entry transaction between user accounts associated with an accounts database, the apparatus comprising:

a computer system operationally connected to the Internet and controlled by a first entity;

an accounts database operationally connected to the computer system;

a process executing on the computer system ~~for~~ maintaining a participant's account associated with a selling participant in the accounts database;

a storage device operationally connected to the computer system, the storage device storing a database of data records, the data record identifying an item to be auctioned by the computer system;

a data interface operationally connected to the computer system, the data interface providing electronic connectivity between the computer system and the Internet;

the computer system executing an auction program that executes an autonomous ascending bid auction in response to an input received from a remote

selling participant, wherein the autonomous ascending bid auction is conducted while the item being auctioned remains outside of the first entity's possession; and

a process executing on the computer system to verify a participant purchaser information and connect that participant to ~~an~~ a deposit or charge account maintained by the system, and then authorizing that participant to execute a process on the apparatus to clear a charge from the result of an auction process by debiting the participant account for the purchase and crediting an amount representing the result of the auction process to the participant seller's account by book entry transaction.

61-64. (Canceled)

Allowable Subject Matter

2. Claims 50-60 are allowed.

Reasons for Allowance

3. The following is an examiner's statement of reasons for allowance:

The prior art most closely resembling Applicant's claimed invention are as follows:

Chelliah et al. (Pat. No. 5,710,887)

Ginter et al. (Pat. No. 6,185,683)

Nahan et al. (Pat. No. 5,664,111)

Shavit et al. (Pat. No. 4,799,156)

Chelliah et al. (Pat. No. 5,710,887) teaches a computer system and method for facilitating electronic commerce between a plurality of customers and at least one supplier of items over a computer driven network capable of providing communications between the supplier and at least one customer site associated with each customer. At least one supplier is presented on the display for selection by the customer using the input device. Similarly items from a supplier can be displayed for the customer to observe. Associated with a supplier of such items is an item database including information on presented items. Pricing subsystem receives information from the item database to determine the cost associated with a presented item. In addition a customer information database stores information relating to the customer. Associated with each customer is a customer monitoring object for each customer. The customer monitoring object is created by referencing information, relating to that customer, which had been stored in the customer information database and when the customer selects a supplier. The customer monitoring object is configured to operate by responding to customer enquiries regarding a presented item by retrieving information relating to the item and presenting the information to the customer; receiving a customer's selection of a presented item; receiving customer communications, indicating a desire to receive the item; and passing a communication to initiate the delivery of the item to the customer.

Ginter et al. (Pat. No. 6,185,683) teaches trusted and secure techniques, systems and methods for item delivery and execution. Ginter teaches that documents and other items can be delivered electronically from sender to recipient with a level of

trustedness approaching or exceeding that provided by a personal document courier. A trusted electronic go-between can validate, witness and/or archive transactions while, in some cases, actively participating in or directing the transaction. Printed or imaged documents can be marked using handwritten signature images, seal images, electronic fingerprinting, watermarking, and/or steganography. Electronic commercial transactions and transmissions take place in a reliable, "trusted" virtual distribution environment that provides significant efficiency and cost savings benefits to users in addition to providing an extremely high degree of confidence and trustedness. The systems and techniques have many uses including but not limited to secure document delivery, execution of legal documents, and electronic data interchange (EDI).

Nahan et al. (Pat. No. 5,664,111) teaches a system and method of electronically executing transactions with a preprogrammed main computer having data and image storage and retrieval equipment. A plurality of electronic images of works of art which are for sale are created by at least one listing dealer and stored on the storage equipment associated with the main computer. Data is input about each stored image and input data is associated with each corresponding stored image. A plurality of preprogrammed intelligent terminals each having data storage and retrieval equipment, at least one display screen and at least one input device, located at at least one listing dealer location and at at least one buying dealer location communicate with the main computer. Search criteria are input through the intelligent terminals for selecting at least one of the stored electronic images for review. Selected images and corresponding data

are communicated to the intelligent terminals and at least a portion of the selected electronic images are displayed. A reservation on at least one of the displayed electronic images can be made to prevent the completion of a sale transaction involving the artwork corresponding to the selected reserved electronic image. An indication of the reserve status of the work is displayed in conjunction with the display of the reserved work on any of the intelligent terminals. A buy order can be input on the intelligent terminals to transact a purchase of the artwork corresponding to the electronic image subject to the buy order. Instructions to complete the purchase are automatically generated and communicated to the intelligent terminals corresponding to the appropriate listing dealer and the appropriate buying dealer.

Shavit et al. (Pat. No. 4,799,156) teaches a system for interactive on-line electronic communications and processing of business transactions between a plurality of different types of independent users including at least a plurality of sellers, and a plurality of buyers, as well as financial institutions, and freight service providers. Each user can communicate with the system from remote terminals adapted to access communication links and the system may include remote terminals adapted for storage of a remote data base. The system includes a data base which contains user information. The data base is accessed via a validation procedure to permit business transactions in an interactive on-line mode between users during interactive business transaction sessions wherein one party to the transaction is specifically selected by the

other party. The system permits concurrent interactive business transaction sessions between different users.

However, none of the prior art teaches, discloses or suggests the following:

Claim 50:

i) maintain multiple participant accounts, each account accessible based on information received from a participant, the multiple participant accounts are debited and credited for the funds used and generated by participant transactions with the system;

(ii) automatically, in response to information received via a participant interface to the system, initiate an autonomous ascending bid auction selling process based at least in part on information electronically received from a participant acting as a seller participant in the system, the ascending bid auction selling process describing an item offered for sale via the system generated autonomous ascending bid auction process to potential buyer participants;

(iii) connecting a participant acting as a buyer in the system to at least one participant account maintained by the system and associated with the participant acting as the buyer in the system; and

(iv) clearing by book entry transaction the payment between the participant acting as the buyer in the system with the participant acting as the seller in the system by debiting the participant account of the participant acting as

the buyer and crediting the participant account for the participant acting as the seller within the system, the transaction between the participant acting as the buyer in the system and the participant acting as the seller in the system being responsive at least in part to the participant acting as the buyer in the system winning an item at the autonomous ascending bid auction process that was generated by the system in response to the participant acting as a seller via the participant interface to the system.

Claim 56:

displaying, in response to a search request from a participant acting as a buyer, the description of the item for auction in a presentation format via the world wide web, the display including advertisements that generate revenue for the auction system;

initiating an autonomous ascending bid auction process at the computer-based auction with the apparatus for an item posted by the seller participant, the auction being conducted while the item for auction remains outside of the first entity's possession;

receiving at least one bid for the item for auction from at least one bidder via a computer interface, an automated computer-implemented auction process processing the bid to determine whether to post the bid as the current high bid for the item for auction;

determining a final high bidder for the item via the computer-implemented auction process and notifying the high bidder that he or she is the winner of auction; and clearing a payment by book entry transaction between a participant account that is

tracked with the apparatus and associated with the winning bidder and an account that is tracked with the apparatus and associated with the seller participant for the item that was autonomously auctioned by the apparatus.

Claim 57:

a worldwide web-to-database mapping module, the worldwide web-to-database mapping module providing a link between a hypertext mark up language page server and the storage device;

an electronic mail module operationally connected to the data interface and executing on the computer system, the electronic mail module providing an information link to the participant seller of the item for auction represented by a data record stored by the data storage device;

the computer system executing an auction program that is an autonomous ascending bid auction process that is started by a remote selling participant; and

a process executing on the computer system to verify a participant purchaser information and connect that participant to a deposit or charge account maintained by the system, and then authorizing that participant to execute a process on the apparatus to clear a charge from the result of an auction process by debiting the participant account for the purchase of an item won by participation with the autonomous ascending bid auction program and depositing an amount representing the result of the auction process to the participant seller's account maintained by the apparatus by book entry transaction.

Claim 60:

the computer system executing an auction program that executes an autonomous ascending bid auction in response to an input received from a remote selling participant, wherein the autonomous ascending bid auction is conducted while the item being auctioned remains outside of the first entity's possession; and

a process executing on the computer system to verify a participant purchaser information and connect that participant to a deposit or charge account maintained by the system, and then authorizing that participant to execute a process on the apparatus to clear a charge from the result of an auction process by debiting the participant account for the purchase and crediting an amount representing the result of the auction process to the participant seller's account by book entry transaction.

4. Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to GREGORY JOHNSON whose telephone number is (571)272-2025. The examiner can normally be reached on Monday - Friday, 8:30AM - 5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ALEXANDER KALINOWSKI can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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